

ties would obviously entail an egregious amount of labour whose results would not adequately repay the toil, while, as an additional difficulty, the statistical data for this purpose are frequently incompetent of being completely obtained. Certain considerations upon the general subject may be usefully discussed.

1. On what principle should be determined the selection of the kind and range of commodities as the basis of Index Numbers in order that the list may be adequately representative ? It is obvious that very special or rare objects or articles of very restricted use cannot be included, since, from their character and limited extent of demand, they are not subject to the influences affecting the variations of the prices of commodities generally. It is this general estimate we seek to elucidate, since we are concerned with the question of universal consumption and not with commodities definitely restrained in the area of their • request. The only reasonable doctrine—and dependent accordingly upon judgment and experience—appears to be that the chosen articles should be staple (*i. e.* leading or principal) commodities in extended use. Mr. Sauerbeck included in his Table of 1886 (and I understand that this criterion applies to all his subsequent catalogues of prices) only those commodities (produced and imported) which amounted in the year to about £1,000,000 in value or upwards. [Even with this limitation, articles considerably beyond the prescribed boundary are thus regarded on the same level of importance as those which just attain it.] And with respect to the descriptions of goods selected, Tobacco appears in the *Economist* Table, but is excluded from the schedules of Mr. Sauerbeck; while in neither do we observe the important articles of consumption, Wine and Spirits—Mr. Sauerbeck explaining that no trustworthy statistics were available. Coal, again, though properly comprised by Mr. Sauerbeck under two distinct headings (and Index Numbers) on account of its prominent significance in British trade, fails to find a place in the *Economist* Table. Moreover, in both Tables the included commodities consist almost exclusively of raw materials and provisions; and the prices of every

description of manufactured articles are almost wholly absent. Now the number and value of transac-